

THE PROTECTION OF SOVEREIGNTY BILL, 2026

**A Legal Analysis of the draft Protection of
Sovereignty Bill, 2026**

April 2026



1. Introduction

The **proposed National Sovereignty Bill, 2026** (formally the Protection of Sovereignty Bill) was developed by the Ministry of Internal Affairs and approved by Cabinet on March 23, 2026. The Bill ostensibly seeks to operationalize Article 1 of the Constitution of Uganda, which enshrines the sovereignty of the people. This memorandum provides a rigorous legal and socio-economic analysis based on the draft version presented by the Minister of Internal Affairs to the NRM Parliamentary Caucus on March 27, 2026, and subsequently endorsed. According to the Minister's memorandum, the Bill intends to address the following national challenges:

- i. Unregulated digital influence and cyber vulnerabilities;**
- ii. Foreign aid tied to conditionalities and parallel programming; and**
- iii. Inadequate regulation of NGOs and foreign-funded civil society organizations.**

By deconstructing the Bill clause by clause, this assessment reviews its constitutionality and potential impact. While framed as a measure for national security and "**sovereign protection**," the analysis reveals how vague definitions, disproportionate penalties, and the removal of independent judicial oversight converge to create a framework that undermines the very constitutional order it claims to protect.

The implications of this Bill extend to all Ugandans in their diversity. It directly targets the core tenets of citizenship and fundamental human rights, including the freedom of worship, freedom of movement, and freedom of economic exercise. Its restrictive reach threatens the entire job economy, trade, and wealth creation efforts of the nation. Specifically, the Bill poses a significant danger to:

- a) The Digital and Innovation Economy: Including Fintechs and their employees, as well as the broader tech ecosystem.**
- b) Education and Knowledge: Targeting researchers, universities, and schools, as well as Ugandan students studying abroad.**
- c) Culture and Arts: Affecting artistes, creatives, performing artistes, and musicians who engage with global audiences and funding.**
- d) Global Labor and Remittances: Threatening Ugandans working in the diaspora and their families back home.**
- e) National Development: Discouraging Foreign Direct Investment (FDI) and the operational viability of the private sector.**

Each clause is evaluated against established domestic laws, international human rights treaties, and the economic realities of a liberalized market to highlight the significant risks this legislation poses to Uganda's democratic and financial future.

2. Key Issues and areas of concern in the bill

Issue 1: Definition of "Foreign Agent" (Clause 1)

Provision:

Under the Bill, a **"foreign agent"** is defined as any person acting as an agent, representative, employee, or servant—or in any other capacity—at the order, request, or under the direction or control of a foreigner. This includes any person whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized by a foreigner.

Analysis of Key Issues

This definition is dangerously overbroad and potentially captures the following categories of people and entities:

- a) **Persons formally appointed as agents of a foreigner e.g. a Ugandan acting as a consular representative of another country;**
- b) **Persons acting as representatives of a foreigner e.g. a dealer of products of a foreign company;**
- c) **Employees of foreign companies and entities operating within Uganda e.g. most banks and telecoms;**
- d) **Legal practitioners (advocates) representing foreign clients;**
- e) **Accountants and consultants working for foreign firms and companies e.g. of the Big Five Audit firms;**
- f) **Individuals, such as relatives or friends, managing the interests or funds of Ugandans residing outside Uganda e.g. a mother of a girl working as a housemaid in Dubai/ of a son working as a security guard in the middle East;**
- g) **Companies or businesses transacting with foreigners or foreign entities;**
- h) **Ugandan traders and companies with international trade partnerships.**
- i) **Ugandan institutions receiving funding or with partnerships with foreigners e.g. churches, mosques or cultural institutions being supported by foreign donors or diaspora members for social causes such as hospitals, schools social enterprise etc**

When read in conjunction with the definition of a "**foreigner**," the Bill targets an excessively wide demographic, requiring them to register as foreign agents or face criminalization. This creates significant legal ambiguity and risks stigmatizing innocent citizens by virtue of their employment, trade, or family ties.

Critical Implications:

1. **Usurpation of Sovereign Rights:** The Government seeks to replace the sovereign rights of citizens with a permit system, requiring citizens to seek state permission to exercise their fundamental freedoms.
2. **De Facto Stripping of Citizenship:** The Bill attempts to strip Ugandans living and working abroad of their citizenship rights by branding them "**foreigners**."
3. **Constitutional Dilution:** The Bill seeks to dilute the National Principles and Directive Principles of State Policy and amounts to an illegal amendment of the Constitution without following proper procedures.
4. **Violation of Regional Treaties:** The Bill interferes with the EAC Treaty and Common Market Protocol regarding the free movement of persons, goods, and services, as well as the AfCFTA Protocol.
5. **Economic Sabotage:** By targeting trade partnerships and international employment, the Bill discourages diaspora remittances and severely threatens Foreign Direct Investment (FDI).

Issue 2: Definition of "Disruptive Activities" (Clause 1)

Provision:

Under the Bill, "**disruptive activities**" are defined to include:

- (a) Any act or conduct prejudicial to or threatening the security of Uganda;
- (b) Any act or conduct threatening violence against any person;
- (c) Threatening to cause bodily harm, whether to the person to whom the threat is made or to another;
- (d) Threatening the destruction of property;
- (e) Employing, recruiting, engaging, sponsoring, or contracting any person to promote the interests of a foreigner;
- (f) Engaging or participating in a riot or unlawful assembly.

Analysis of Key Issues

The clause fails to provide a clear legal standard for what constitutes an activity "**prejudicial to security**," leaving it open to subjective interpretation and state abuse. By including threats of violence and property damage between private individuals, the Bill inappropriately expands the scope of "national security." These matters are already governed by the Penal Code Act, which covers assault, grievous harm, and malicious damage to property.

Furthermore, the prohibition on "**promoting the interests of a foreigner**" is dangerously vague. Not all foreign interests are detrimental to the nation; for example, foreign companies engaged in legitimate commerce and development contribute significantly to the economy. As drafted, the law does not specify which foreign interests are prohibited. Consequently, a domestic worker, a consultant, or a service provider for a foreigner could technically be accused of "**promoting foreign interests**." Such generalized regulation threatens the operations and safety of all foreign entities and individuals in Uganda, creating a hostile environment for vital investment and development work.

Issue 3: Definition of "Foreigner" (Clause 1)

Provision:

The Bill defines a "**foreigner**" to include:

- a) A non-Ugandan citizen;
- b) A Ugandan citizen residing outside Uganda;
- c) A foreign government, consulate, high commission, embassy, or other diplomatic mission;
- d) A company, NGO, or entity registered outside Uganda;
- e) An international or multinational organization; or
- f) Any institution that the Minister may declare via Statutory Instrument.

Analysis of Key Issues

While the clause addresses standard foreign entities, several inclusions are deeply problematic and legally unsound:

1) Disenfranchisement of the Diaspora: By categorizing Ugandan citizens living abroad as "foreigners," the Bill effectively disenfranchises over a million people. This directly contradicts the spirit of Article 1 of the Constitution—which the Bill ironically claims to promote—and undermines constitutional protections regarding the inherent rights of citizens. In practice, this creates a tier of "second-class" citizens and amounts to a de facto revocation of citizenship, violating Uganda's dual citizenship policy.

2) Threat to Ugandan Multinationals: There is a significant risk that Ugandan-owned businesses expanding regionally or internationally will be reclassified as foreign entities. The Bill fails to clarify whether Ugandan entities registered abroad for commercial purposes retain their domestic status, potentially penalizing national economic growth.

3) Unfettered Executive Discretion: The clause grants the Minister absolute power to categorize any person or business as a "foreigner" through statutory instruments. Without clear legal parameters or parliamentary oversight, this power is highly susceptible to political weaponization or personal misuse.

Issue 4: Application of the Bill (Clause 2)

Provision:

The Bill applies to:

- a) Agents of foreigners;
- b) Persons engaged in political activities in the interest of a foreigner;
- c) Persons who solicit, collect, disperse, or dispense contributions, loans, or other items of value for the interests of a foreigner;
- d) Persons who agree, consent, assume, or purport to act as a representative of a foreigner;
- e) Persons who influence the development of government policy;
- f) Persons who oppose government policy.

Analysis of Key Issues

The Bill appears to be a redundant legislative effort seeking to solve a non-existent lacuna (gap) in our laws, as existing frameworks like the Anti-Money Laundering Act and the NGO Act already regulate these areas.

1) Vague Definitions as a Tool for Abuse: The Bill fails to define "**interests of a foreigner**," creating a vacuum susceptible to state abuse. Since many foreign interests align with national development, the lack of distinction between prohibited and permissible interests is dangerously vague. Furthermore, reclassifying the diaspora as "foreigners" criminalizes their political engagement, violating Article 1 (Sovereignty of the people), Article 21 (Right to non-discrimination), Article 38 (Right to participate in government), Article 42 (Right to just administrative treatment), and Article 72 (Right to form political organizations).

2) Economic Paralysis: The restrictions on soliciting and disbursing funds or loans pose a severe threat to legitimate commerce. Foreign banks, venture capital firms, and providers of Islamic banking—which rely on asset-backed transactions—could find their daily operations criminalized. This also threatens large-scale syndicated banking operations essential for national infrastructure projects.

3) Criminalization of Professional Services: The provision unfairly targets advocates and accountants. Their professional duty to ensure legal compliance and financial transparency for international clients could be misconstrued as acting "in the interest of foreigners," leading to the criminalization of essential professional services.

4) Suppression of Civic Participation: The provisions regarding the "**influence**" or "**opposition**" of government policy are alarmingly broad. A government can only gauge the success of its policies through independent research and public critique. By stifling the ability of citizens to provide feedback, the Bill undermines the constitutional mandate for citizens to participate in their governance, effectively creating a feedback loop that rewards silence over accountability.

Issue 5: Administration of the Act and Functions of the Department (Clauses 3 and 4)

Provision:

The Bill provides that the Act will be administered by the department responsible for peace and security within the Ministry of Internal Affairs. This department is mandated to implement the Act in coordination with other government agencies.

Analysis of Key Issues

Standard legal drafting requires that when a law establishes a new administrative entity, it must define the rules for its constitution, leadership, and governance. This Bill is conspicuously silent on the composition and oversight of the Department created under Clause 3. Without a clear governance structure, the department operates in a legal vacuum, lacking the accountability mechanisms necessary to prevent administrative overreach or the abuse of power.

Issue 6: Sovereignty of the People (Clause 5)

Provision:

This clause provides for the sovereignty of the people of Uganda. It prohibits persons from promoting foreign interests over the interests of Uganda and criminalizes any conduct that does so.

Analysis of Key Issues

The Bill fails to provide a legal definition for "**interests of Uganda**" versus "**foreign interests**." This ambiguity makes it impossible for an individual to determine which actions are legally permissible, directly violating Article 28 of the Constitution, which requires that any criminal offence be clearly defined so that an accused person understands the nature of the charge. Furthermore, by framing sovereignty as the exclusive preserve of residents, the Bill suggests that Ugandans in the diaspora are excluded from their constitutional role in exercising national sovereignty—a clear contradiction of the universal rights afforded to all citizens under Article 1.

Issue 7: Implementation of Government Policy (Clause 8)

Provision:

This clause stipulates that government policy shall be approved by Cabinet and implemented exclusively by government agencies and ministries. It prohibits private persons from implementing government policies without formal authorization.

Analysis of Key Issues

1) Ambiguous Criminal Triggers: Clause 8(3) prohibits an "**agent of a foreigner**" from hindering, frustrating, or disrupting the implementation of policy. However, the Bill provides no legal definitions for these terms. As these are the "trigger words" for criminal liability, their vagueness invites subjective interpretation and state abuse.

2) Prohibition of Sovereign Rights: By barring private individuals from implementing or engaging with policy, the clause strips citizens of their rights under Articles 1, 38, 42, and 72. These articles mandate that citizens participate in their governance and economic activities. Sovereignty is not merely the right to vote; it is the right to actively execute and participate in policies that affect one's life.

3) Bureaucratic Obstruction: Clause 8(4) creates an unnecessary hurdle by requiring government approval for any activity related to policy implementation. This risks alienating the public and the private sector. For instance, it remains unclear if a private school owner would require special state authorization to align their curriculum with UPE or USE standards. Such red tape discourages private sector contributions to national development goals.

Issue 8: Prohibition of the Promotion of Foreign Policy of Another Country (Clause 10)

Provision:

This clause prohibits any person from soliciting, receiving, or obtaining funding or assistance from a foreigner to sponsor or organize meetings aimed at promoting the foreign policy of another country.

Analysis of Issues

1) Scope Inconsistency: There is a significant disconnect between the clause's headnote and its practical scope. It is unclear if the prohibition applies only to the official foreign policies of sovereign states or to any policy originating from abroad. Since foreign policies are usually managed through diplomatic channels, prohibiting private engagement could inadvertently criminalize the promotion of bilateral or multilateral agreements to which Uganda is already a party.

2) Stifling Policy Innovation: If the goal is to prevent the "importation" of foreign ideas, the Bill threatens national progress. Most successful reforms in Uganda are informed by international best practices and comparative research. This provision makes it legally perilous for researchers and citizens to advocate for reforms based on successful global models, effectively stifling policy innovation and the civic engagement guaranteed by the Constitution.

Issue 9: Prohibition of Interfering with Electoral Processes (Clause 11)

Provision:

This clause prohibits foreigners or their agents from interfering in Uganda's elections and electoral processes. While protecting electoral integrity is a standard legislative goal, the Bill's overly broad definition of "foreigner" creates a high risk of disenfranchising Ugandan citizens.

Analysis of Key Issues:

- 1) Vagueness of "Interference":** The clause fails to define what constitutes "influencing" or "interfering." Consequently, Ugandan citizens employed by international firms or those representing the interests of the diaspora could be arbitrarily classified as foreign agents and barred from engaging in the electoral process.
- 2) Disenfranchisement of the Diaspora:** Because the Bill defines Ugandans residing abroad as "foreigners," Clause 11 effectively prohibits the diaspora from participating in the country's democratic process. This directly undermines the right to vote and be elected as enshrined in Article 59 of the Constitution. Rather than stripping these rights, the government should create avenues for Ugandans abroad to exercise their political participation and voting rights.
- 3) Unconstitutional Penalties:** Clause 11(3) criminalizes an "agent of a foreigner" for participating in an election, penalizing citizens for exercising civic rights in violation of Article 59 and Article 21 (freedom from discrimination).
- 4) Inadequate Protections:** While Clause 11(4) offers a narrow exemption for officially nominated candidates, it fails to protect citizens participating in internal party primaries, campaign agents, or ordinary voters who may fall under the Bill's broad "foreign agent" definition.

Issue 10: Prohibition of Interfering with the Operations of Government (Clause 12)

Provision:

This clause prohibits meetings or the solicitation of funds for activities that undermine the general functioning of the government.

Analysis of Key Issues

The clause fails to define what acts constitute undermining or "interfering with the operations of government," leaving the provision open to extreme administrative abuse. For instance, if citizens meet to criticize a government program or collectively opt out of a non-mandatory plan, such actions could be labeled as undermining or "interference." As drafted, the Bill risks criminalizing any form of public oversight or critique. This ambiguity threatens Article 1 (Sovereignty of the people) and Article 28 (Legal certainty). By criminalizing challenges to government programs, the Bill effectively bans the democratic right of citizens to hold their government accountable.

Issue 11: Prohibition of Economic Sabotage (Clause 13)

Provision:

The Bill stipulates that any person who publishes information or participates in any activity that weakens or damages the economic system, or causes economic disruption, insecurity, or instability, commits an offence.

Analysis of Key Issues

The Bill fails to define what constitutes "weakening" or "damaging" an economic system, focusing on the perceived result rather than a specific act. This vagueness provides a broad opening for the state to target researchers, journalists, or whistle-blowers whose reporting might be interpreted as "damaging" to the economy. Without a clear definition of what an "economic system" is or how damage is measured, this clause serves as a tool to suppress legitimate economic discourse and transparency.

Issue 12: Registration of an Agent of a Foreigner (Clause 14)

Provision:

This clause requires all "**agents of foreigners**" to register and criminalizes acting as an agent in Uganda without such registration.

Analysis of Key Issues

Given the expansive definition of a "**foreign agent**"—which captures employees of international companies, legal and financial professionals, and even relatives of Ugandans living abroad—this requirement creates an impractical and massive bureaucratic burden.

- **Criminalizing Family Support:** An elderly parent receiving funds from a child working abroad would technically be required to register as a foreign agent.
- **Economic Friction:** Such red tape frustrates citizens' access to financial support and diaspora remittances. It undermines employment and creates unnecessary administrative costs, serving only to discourage the financial inflows that sustain the Ugandan economy.

Issue 13: Considerations for Application for Registration (Clause 16)

Provision:

This clause mandates that the government considers several factors before registering a person, including their identity, character, and mental and physical health.

Analysis of the Issues

The requirement to vet applicants based on "identity," "character," and "health" is highly subjective and provides a gateway for systemic discrimination and abuse.

1) Constitutional Violation: Individuals who do not conform to state-preferred identities or character traits could be arbitrarily denied registration, violating the non-discrimination protections under Article 21 of the Constitution.

2) Interference with Freedom of Contract: The state is effectively attempting to regulate private professional and employment relationships. By dictating who may work for whom based on physical and mental health or character assessments—factors the actual parties to the contract may find irrelevant—the Bill undermines the fundamental right to contract and work.

Issue 14: Certificate of Registration (Clause 17)

Provision:

This clause provides that approved agents shall be issued a two-year certificate confirming their status. It grants the Minister the power to impose additional conditions on the certificate, which the agent must follow.

Analysis of Key Issues

The Bill grants the Minister excessive and unchecked power to impose conditions that are not defined in the law, making the process ripe for political or personal abuse. The agent is further subjected to two year permit renewal processes which is not only cumbersome but also costly, considering the time and resources that might be required, defined by the regulations. The requirement for citizens to register before acting on behalf of others and more so renew their agency status every two years has far-reaching negative implications:

1) Employment Risk: Employees of international firms who are denied registration—or whose certificates are not renewed—may be forced out of their jobs, as working without a permit would become a criminal offence.

2) Family Support: Relatives managing family affairs or assets for Ugandans abroad may be barred from acting on behalf of their kin if the Minister denies their registration, or refuses to renew their permits, potentially freezing family estates and support systems.

3) Financial Sector Liability: Banks and telecommunications companies could face severe penalties for processing transactions for "unregistered agents." This creates a massive liability for the financial sector and threatens the stability of the entire mobile money and banking ecosystem.

4) Social Services: Religious leaders, NGOs, and community-based organizations implementing social projects funded by external support could be criminalized if their staff or beneficiaries are not registered, or don't have valid permits.

5) These uncertainties are unnecessary in a free and democratic society and pose a fundamental threat to the livelihoods and financial security of millions of Ugandans.

Issue 15: Restrictions on Funding from Foreigners (Clause 22)

Provision:

This provision prohibits any person in Uganda from receiving funds from foreigners exceeding UGX 400,000,000 (Four Hundred Million Shillings) within a 12-month period without prior written approval from the Minister. The Bill criminalizes the receipt of such funds without explicit ministerial consent.

Analysis of Key Issues

The Bill offers no clear justification or empirical basis for the **UGX 400,000,000** threshold; this arbitrary figure lacks any stated policy rationale. Furthermore, this restriction poses a severe threat to Uganda's investment climate and general commerce by targeting critical financial activities, including:

1) Venture Capital: Restricting the loans, grants, and equity capital essential for Ugandan startups and growing businesses.

2) Commercial Banking: Hindering licensed banks from providing large-scale credit facilities to local enterprises.

3) Syndicated Lending: Obstructing complex financing arrangements involving multiple international lenders.

4) Diaspora Investment: Discouraging Ugandans living abroad from transferring significant capital home for personal investment or development projects.

5) By creating these unnecessary hurdles, the Bill will inevitably stifle capital inflow and deter Foreign Direct Investment (FDI). Additionally, the clause is dangerously vague regarding whether the threshold applies to a single transaction or the cumulative total of smaller transactions over a year, creating a legal trap for unsuspecting businesses and individuals.

Issue 16: Reporting on Foreign Funding (Clause 25):

Provision:

This clause stipulates that a "**supervised institution**" shall not disburse funds to an agent of a foreigner unless the agent declares the source of the funding and provides written proof of ministerial authorization. The Bill defines a "supervised institution" as any person licensed under an Act of Parliament to facilitate the cross-border transfer of money.

Analysis of Key Issues

1) Impractical Scope: The definition of a "supervised institution" is dangerously wide. By covering anyone licensed to facilitate cross-border transfers, it potentially includes not only commercial banks but also thousands of individual mobile money agents. Requiring a local agent in a village to verify ministerial authorization before paying out a transaction is both impractical and technically impossible.

2) Bureaucratic Bottleneck: The Bill requires a declaration of source and ministerial proof for every disbursement, regardless of the amount. By failing to set a minimum financial threshold, the provision becomes entirely unrealistic, ignoring the reality of millions of small-scale, high-frequency transactions that occur daily.

3) Redundancy: Since robust reporting and inquiry mechanisms for large or suspicious transactions already exist under Uganda's Anti-Money Laundering (AML) laws and Tier 1-4 financial regulations, this clause serves no genuine regulatory purpose. Instead, it acts as a tool to stifle routine financial transactions between Ugandans and their relatives or associates abroad.

Issue 17: Filing Returns (Clause 26)

Provision:

This clause requires every "**agent of a foreigner**" to submit periodic returns to the Minister detailing all funds received.

Analysis of Key Issues

The obligation to file returns is an unnecessary and punitive administrative burden, particularly for ordinary citizens receiving remittances from relatives abroad or managing family affairs. This provision duplicates existing regulatory requirements; financial institutions and money transfer operators already submit comprehensive returns on foreign exchange and cross-border transactions to the Bank of Uganda and the Financial Intelligence Authority (FIA). Requiring individuals to do the same is inefficient, serves no unique regulatory purpose, and only increases the cost of compliance for the average citizen.

Issue 18: Inspection (Clause 28)

Provision:

This clause provides that a person appointed by the Minister may, at any reasonable time, inspect the premises of an **"agent of a foreigner"** and request any information deemed necessary to give effect to the Act. Obstruction of an inspector is punishable by a fine of **UGX 40,000,000** and/or seven years of imprisonment.

Analysis of Key Issues

1) Absence of Judicial Oversight: The powers granted here are excessively broad and lack necessary judicial checks. By allowing inspections "at any reasonable time" without a court-issued search warrant, the Bill bypasses standard legal protections for privacy and property.

2) Invasion of Private Residences: When read alongside the definition of a "foreigner"—which includes Ugandan citizens residing abroad—this clause becomes particularly dangerous. Since "premises" is not defined, it could be interpreted to include the private homes of relatives or associates who receive funds or manage affairs for those in the diaspora. This creates a high risk of state-sanctioned invasion of privacy.

3) Discretionary Overreach and Intimidation: The authority to request "any information" grants inspectors unfettered discretion, violating the principle of legal certainty and risking the forced exposure of sensitive personal data. Furthermore, the 40 million fine and/or seven-year penalty for "obstruction" is disproportionately harsh; it serves to intimidate citizens, as even questioning an inspector's presence in a private home could be construed as a criminal act.

Issue 19: Regulations (Clause 29)

Provision:

This clause empowers the Minister to make regulations for the implementation of the Act. Specifically, subsection (2) grants the Minister the authority to prescribe additional penalties for the contravention of these regulations, including fines of up to **UGX 40,000,000** and/or imprisonment for up to seven years.

Analysis of Key Issues

- 1. Excessive Delegation of Legislative Power:** This clause grants the Executive branch dangerous quasi-legislative powers. By allowing a Minister to prescribe substantial criminal penalties—including lengthy prison terms—via regulations, the Bill bypasses the rigorous scrutiny and public debate of Parliament.
- 2. Breach of Separation of Powers:** Under constitutional principles, the creation of criminal offences and the determination of severe custodial sentences must remain the exclusive preserve of the Legislature. Regulations can be created or amended by a Minister with minimal oversight, creating an unstable legal environment where the "rules of the game" can shift arbitrarily.
- 3. Risk of Victimization:** This lack of parliamentary oversight makes the law susceptible to being used as a tool to target specific groups, such as political critics, the diaspora, or NGOs. Prescribing a seven-year sentence through a statutory instrument rather than substantive law denies citizens the legal certainty required under Article 28 of the Constitution, as their liberty becomes subject to the shifting discretion of a single political appointee.

Issue 20: Minister's Power to Amend Schedule (Clause 30)

Provision:

This clause provides that the Minister may, by statutory instrument and with the approval of Cabinet, amend the Schedule to this Act. The Schedule defines the value of a "currency point," currently set at UGX 20,000.

Analysis of the Issues

- 1) **Executive Circumvention of Legislature:** This clause grants the Executive branch unilateral power to alter the financial severity of criminal penalties without Parliamentary oversight. Since all fines in the Bill are calculated in currency points, any amendment to the Schedule fundamentally changes the monetary penalty for every offense. By allowing the Minister to increase these values via statutory instrument, the Bill bypasses the formal legislative process required for substantive amendments to criminal law.
- 2) **Risk of Arbitrary "Re-sentencing":** This creates a dangerous precedent where the Executive can effectively "re-sentence" citizens or businesses by inflating fines overnight. Such power is highly susceptible to abuse and could be used to target specific stakeholders—such as NGOs or the business community—by making compliance financially impossible.
- 3) **Instability for Investors:** This provision undermines the principle of legal certainty. Investors and citizens require a stable legal framework; allowing a single Minister to shift the financial stakes of the law at will creates an unpredictable environment that discourages long-term investment and civic engagement.

Issue 21: General Critique: Excessive and Disproportionate Punishment

Throughout the Bill, the penalty for failing to meet obligations—such as registration or financial declaration—is a fine of up to **100,000 currency points (UGX 2 billion)** for individuals and **200,000 currency points (UGX 4 billion)** for companies, or imprisonment for a period not exceeding 20 years.

Analysis of Key Issues

- **Lack of Proportionality:** The punishments provided are grossly excessive, particularly for administrative defaults such as failing to register or neglecting to file returns. Under the Constitution of Uganda (Sentencing Guidelines for Courts of Judicature) (Practice) Directions, 2013, sentences must be proportionate to the gravity of the offending behavior and the culpability of the offender. These 20-year terms for administrative "oversights" mirror penalties typically reserved for violent capital offenses like aggravated robbery, directly violating the principle of parsimony, which dictates that a sentence should not be more severe than necessary to meet the purposes of justice.

- **Breach of Global Standards:** International human rights law, specifically the International Covenant on Civil and Political Rights (ICCPR) to which Uganda is a party, requires that restrictive measures must be the least intrusive instrument amongst those capable of achieving the desired result. The UN Human Rights Committee has clarified that penalties must demonstrate necessity and proportionality to the interest being protected. By imposing billion-shilling fines for simple non-disclosure, the Bill ignores the "enforcement pyramid" standard, which suggests that criminal prosecution should be reserved only for the most serious and harmful violations, while administrative warnings should suffice for minor non-compliance.
- **Legislative Redundancy:** Many requirements in this Bill—such as the declaration of funds and filing of returns—are already governed by the Companies Act, the NGO Act, the Anti-Money Laundering Act, and the Anti-Terrorism Act. These existing laws already provide institutional mechanisms to address financial transparency and security. Introducing a new, more punitive regime for identical acts creates legal conflict and violates the principle of parity, which requires similar sentences for similar offenses.
- **Violation of the Right to Dignity:** The African Charter on Human and Peoples' Rights (Article 5) absolutely prohibits cruel, inhuman, or degrading punishment. The African Court has held that this prohibition is absolute and must be extended to provide the widest possible protection against abuse. Imposing a UGX 4 billion fine on an organization for a breach involving a fraction of that amount is inherently degrading and designed to cause institutional liquidation rather than reform.
- **Encroachment on Fundamental Rights:** We maintain that administrative requirements like registration and fund declaration should not be criminalized. Turning these into high-stakes crimes directly threatens the rights of citizens, including the right to participate in governance, the right to vote, and the inherent rights of citizenship. Under Article 28(12) of the Ugandan Constitution, no person shall be convicted of a criminal offense unless the offense is defined and the penalty is prescribed by law; however, the vagueness of the "offenses" paired with these extreme penalties creates a regime of fear rather than a regime of law. To protect the constitutional order, such criminal provisions should be removed entirely.

Conclusion

The proposed National Sovereignty Bill, 2026, represents a fundamental threat to the stability, prosperity, and constitutional order of Uganda. While framed as a measure to safeguard national interests, its broad and ambiguous provisions create a legal minefield that endangers every segment of society. Ultimately, this Bill is entirely redundant; it fails to address any concrete legal vacuum that existing Ugandan laws cannot already handle. Instead, it serves as a vehicle to systematically erode the core of citizen sovereignty. Below are some of the key implications and conclusions.

(i) For the Diaspora and Popular Sovereignty:

The Bill is an instrument of disenfranchisement that reclassifies over a million Ugandans residing abroad as “foreigners,” stripping them of inherent citizenship rights in direct violation of the 1995 Constitution and dual citizenship laws. By requiring rigorous income declarations for those seeking "green pastures" abroad, the state effectively discourages the global mobility of its own people while failing to provide local alternatives.

(ii) For Families and the \$2.5 Billion Remittance Lifeblood:

Remittances are a primary pillar of our economy, outperforming almost every other sector. This Bill criminalizes the act of sending money for school fees, medical bills, and general welfare. By placing "North Korean-style" restrictions on these funds, the state is cutting off the lifeblood of millions of Ugandan households, triggering an immediate and avoidable domestic welfare crisis.

(iii) For Job Creation and Employment:

Remittances do more than buy food; they fund construction, farming, and housing projects that employ millions of Ugandans. Restricting these flows will lead to a massive collapse in local employment and block entrepreneurs from transferring the start-up capital needed to build businesses at home.

(iv) For the Business Community, FDI, and Banking:

The Bill is economically catastrophic. By requiring Ministerial approval for grants, loans, or investments exceeding UGX 400,000,000, it creates artificial "compliance chokepoints" that will paralyze investment, banking, and mobile money networks. This excessive bureaucracy signals to the world that Uganda is "closed for business," driving global investors toward the more stable, liberalized economies of our regional neighbors.

(v) For the Digital Economy and the ICT Sector:

The Bill threatens to decapitate Uganda's digital transformation—a sector contributing 9% of national GDP. Because our ICT sector relies on international infrastructure, the majority of tech startups, e-commerce vendors, and professionals working with platforms like Meta, Google, and PayPal could be branded as **"foreign agents."** This classification would paralyze the e-commerce ecosystem, creating "compliance chokepoints" for platforms like Jumia, Uber, and Bolt that depend on international payment gateways and digital tools. For the thousands of Uber drivers, Jumia delivery agents, and digital vendors whose livelihoods depend on these foreign-owned platforms, the Bill creates a terrifying legal vacuum where their daily work could be construed as acting for a "foreign interest" without a permit. With draconian penalties of 20 years in jail or UGX 2 billion in fines for failing to obtain Ministerial clearance, the state risks halting the 27 million daily mobile money transactions that power the nation and triggering a massive exodus of digital talent to more stable regional neighbors.

(vi) For Artistes, Creatives, and Musicians:

The Bill effectively places the creative arts under military-style surveillance, treating cultural expression as a potential tool for **"foreign subversion."** By categorizing revenue from international digital platforms like Spotify, YouTube, and iTunes as foreign funding, the state could technically brand every streaming artist a "foreign agent." This gives the state a subjective weapon for targeted persecution; if lyrics, digital content, or visual art are deemed "provocative" or critical of the establishment, creators face an immediate sentence of 20 years in jail or a UGX 2 billion fine. For record labels and creative companies, the Bill imposes a staggering UGX 4 billion fine—a 1,000% penalty designed to ensure immediate bankruptcy and liquidation.

Furthermore, the requirement for mandatory Ministerial permits for international record deals or joint projects creates a total "creative lockdown," criminalizing cross-border collaborations. Perhaps most terrifyingly, the Bill provides the legal mechanism to strip an artiste of their citizenship if their work is declared to be "promoting foreign interests." For the "crime" of provocative expression, Uganda's brightest talents now face the catastrophic threat of being rendered stateless, forced into silence, or driven into exile.

(vii) For Civil Society, Religious, and Faith-Based Institutions:

Our Churches, Mosques, and Temples are the silent backbone of the nation, providing over 40% of Uganda's healthcare and education. The Bill places these sacred missions under state siege by labeling international missionary support, global partnerships, and even diaspora tithes as "foreign interference." Under Clause 1, any institution "subsidized" by a foreigner is branded an agent—a move of profound hypocrisy given the State's own heavy donor dependence. This creates a "License to Heal" barrier, where vital capital inflows for faith-based hospitals are reframed as suspicious "foreign-controlled" activities, suffocating the social safety nets the vulnerable rely on.

Furthermore, by reclassifying the diaspora as "**foreigners**," a simple tithe sent from a relative abroad technically brands a home congregation as a "foreign agent," criminalizing the inherent right of citizens to support their faith. The Bill does not stop at the church gate; Clause 28 grants authorized officers the power to conduct warrantless inspections of any "premises," effectively abolishing the sanctity of the pulpit and the privacy of the sanctuary. This aggressive oversight allows the state to treat the private homes of religious leaders and congregants as regulatory spaces subject to arbitrary intrusion.

(viii) By categorizing the mandate to care for the poor as "foreign agent" activity, the Bill triggers a "brain drain" of partners who provide the clean water, legal aid, and advocacy that the State neglects. Ultimately, with institutional fines of UGX 4 billion—a 1,000% penalty designed for immediate liquidation—this Bill ensures that compassion is treated as a crime and the "city of refuge" is dismantled.

(ix) A Reversal of Popular Sovereignty: Most critically, this Bill represents a fundamental reversal of the principle of popular sovereignty. Article 1 of the Constitution states that all power belongs to the people; however, this Bill strips that power from the citizenry and consolidates it in the hands of a few individuals within the Executive. By granting the Minister unilateral power to create criminal offences, amend penalties via statutory instruments, and bypass parliamentary oversight, it replaces collective self-governance with unchecked, centralized authority.

(x) Self-Defeating Measure for Government:

Even for the State, this Bill is self-defeating. It actively shrinks the tax base by discouraging FDI and remittances that the Uganda Revenue Authority (URA) relies on. A contracting economy will force the government to impose even more unbearable burdens on an overtaxed populace—such as the proposed 2026/27 hikes in PAYE, fuel excise, and stamp duty. The implementation of this Bill will only exacerbate these fiscal pressures, driving businesses out of the formal sector and further destabilizing Uganda's fragile revenue landscape.

In its current form, the proposed **Protection of Sovereignty Bill** is not a shield for the nation, but a barrier to its progress. It risks reversing decades of developmental gains, isolating Uganda from the global community, and dismantling the foundational right of Ugandans to govern themselves. To protect the economic and security interests of the nation, this Bill must be fundamentally reconsidered; failing to do so will ensure that Uganda is left behind in an increasingly interconnected world.